MONTHLY NOTES

FARM MANAGEMENT AND FARM ECONOMICS

August 1, 1921.

PROBABLY YOU ALREADY KNOW of the recent changes here in the Department of Agriculture. The Bureau of Markets and the Bureau of Crop Estimates have been combined. As fast as it can be worked out, the Office of Farm Management will also be merged with these two former, making one large Bureau handling the work in agricultural economics. Our former Chief, Dr. H. C. Taylor, heads the con solidated Bureaus.

A SIDELIGHT ON FARMERS' LOW PURCHASING POWER - a very accurate sidelight, indeed - is furnished by the continued farm management surveys. Mr. Dixon of this Office has established that the 1920 farm income in Sumpter County, Georgia was 92%, in Clinton County, Indiana 85%, and in Washington County, Ohio 91% of the 1913 farm income in those respective counties. With the dollar shrunken half and then with an income 8 to 15% less than it was in 1913, just how much new building material, cloths, machinery or other things would a man be likely to buy - even though he needed them all?

UNCLE SAM IS GOING TO HARVEST LESS COTTON this season than he has in many a year, apparently. The July 1 estimate was 8,433,000 bales. You have to look way back to 1896 to find anything down near that figure. Incidentally, one can't disconnect the fact that the purchasing power of an acre of cotton this past summer has been the lowest since 1894.

SPEAKING OF THE CROP OUTLOOK - It is worth taking note of

that the July 1 estimates show all the staple crops below the recent five year average except corn and potatoes. If the season holds out, we are in a fair way to get a good crop of corn. But it seems likely that we shall have considerably less corn, oats, barley, potatoes, hay, beans, fruit, cotton, rice, and tobacco than we had last year. Not that acreages have been cut this season. We put more land in corn, winter wheat, oats, potatoes, and hay than last year. Its simply that Nature can't be expected to bust all records and encore.

AND IN EUROPE they're worse off, apparently. Parts of France, England, The Netherlands, Belgium, Germany, Switzerland, Spain, and Southern Russia have had one of the worst droughts in history. Their yields of grain and potatoes are said to be seriously hurt. How great the damage is, and just how it may affect our markets cannot be sized up yet.

THE STAGE SEEMS ALL SET for some upward reaction in the prices of farm products. Of course the man who can predict the course of prices is, as Uncle Abner Brown used to say, the same feller that can take off warts with a hazel-nut. However, it seems not unreasonable to expect that production can hardly fall off as it is doing this season without having some effect on prices. And it comes on top pf the general situation wherein prices of farm products have been woefully out of line with everything else for nearly a year. There generally comes a time when the clouds get about so black that there's nothing left to happen but a return to fairer weather.

DR. WARREN'S PRICE BULLETIN, which he has assrmbled here in Washington for publication by the Department, is in press and should be available very soon. So far as I know this is the most comprehensive collection of data available on prices of farm products.

Dr. Warren, by the way, has become a consulting expert of the Department of Agriculture for the next few months, at the request of Secretary Wallace. He is on leave from Cornell.

WHOLESALE PRICE INDEXES FOR JUNE as made up by the Bureau of Labor Statistics are as follows (1913 being the base or 100):-

Farm Products		Commodity Groups	
Tobacco	208	Farm Products	113
Wheat, No. 1, N.	168	Food, etc.	132
Milk, N. Y.	137	Cloths & clothing	180
Hay, Timothy, No. 1	138	Fuel & lighting	187
Wool (Medium)	103	Metals & met. products	132
Cotton	94	Building materials	202
Eggs, N. Y.	108	Chemicals (& drugs)	166
Steers (good to ch.)	95	House-furnishing goods	250
Corn	98	All commodities	148
Hogs	97		
Potatoes	96		

THE TREND OF PRICES during June continued the downward slide that began a year ago. Farm products again slumped after their recovery in May. House-furnishing goods and fuel dropped somewhat while building materials, clothing, and chemicals showed greatest resistance to the decline.

IT IS WELL WORTH WHILE to make up a price index figure for your own state, and carry this on from month to month. Mr. Rhoades, who is giving considerable attention to price study in Kansas, has made up such an index for that state. He weights on the basis of Kansas farmers' relative sources of income. Of a total of 20 points, he gives wheat 8 points, corn 5, hogs 3, cattle 2, oats 1, butter 1.

ABOUT LANTERN SLIDES - it may be simply stated that both this Office and States Relations Service have a considerable variety of slides which are available to men in the field. Most of the chief phases of farm management are covered by the subjects on file. If you need slides, make known your needs.

THE NEW 1920 YEARBOOK of the Department of Agriculture is now available. Among other things in it are an article by Dr. L. C. Gray on "Helping Landless Farmers to Own Farms", and another by F. W. Peck, "The Cost of a Bushel of Wheat."

THE CENSUS FIGURES for the country as a whole are now coming to hand every few days. For your convenience some of the important items so far tabulated are given on the last page herewith.

RECENT APPOINTMENTS include H. B. Killough as farm management demonstrator in Michigan, H. C. Woodworth in New Hampshire, H. D. McCullough in South Dakota, and S. H. Thompson in Iowa.

Mr. Killough is a Texas man, with extension and teaching experience, and M. S. from Wisconsin.

Mr. Woodworth graduated from Illinois in 1909, took an M. S. from Cornell, and has had county agent and farming experience in Minnesota.

Mr. McCullough, a North Dakota College man, has had similar experience in South Dakota.

Mr. Thompson was the pioneer demonstrator in Iowa and is now back there to take general charge of the farm management and marketing extension work.

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IMPORTANT ITEMS FROM THE 1920 CENSUS

(Each refers to the U.S. as a whole)

	1920	1910
Number of Farms	6,448,366	6,361,502
Total acres land in farms	955,676,545	878,798,325
Acres of improved land in farms	506,982,301	478,451,750
Average total acres per farm	148.2	138.1
Average improved acres per farm	78.6	75.2
Value of farm land & buildings	$67,795,965,384	$34,801,125,697
Average value land & bldgs. per farm	$10,514	$5,471
Value all farm property per farm	$12,085	$6,444
Farms operated by their owners	3,925,090	3,948,722
Owned farms reported mortgaged	1,461,113	1,312,034
Estimated total number mortgaged	1,611,378	1,327,439
Average mort. debt reported per farm	$3,361	$1,715
Number native white farmers	4,917,305	4,771,063
Foreign born white farmers	581,054	669,556
Colored farmers	950,007	920,883
Acres of corn	87,666,910	98,382,665
Acres of wheat	73,156,967	44,262,592
Acres of oats	37,842,925	35,159,441
Acres of barley	6,474,462	7,698,706
Bearing apple trees	115,265,029	151,322,840
Apple trees not of bearing age	36,171,604	65,791,848
Number horses on farms	20,142,455	19,833,113
Horses not on farms	1,705,611	3,182,789
Mules on farms	5,450,623	4,209,769
Total cattle on farms	66,810,836	61,803,866
Total sheep on farms	34,984,524	52,447,861
Total swine on farms	59,368,167	58,185,676
Chickens on farms	359,537,385	280,340,959
Eggs produced (dozens)	1,656,267,200	1,574,979,416
Dairy cows & heifers over 2 years	19,671,777	-----
Beef " " " " " "	12,644,018	-----
Ewes one year or older	23,462,689	-----
Sows & gilts 6 months or older	11,445,239	-----